

Waste Action Alert

*A publication of the RSC Sunset Caucus from co-chairs Kevin Brady (R-TX) and Jason Chaffetz (R-UT)  
Rep. Tom Price (R-GA), RSC Chairman*

## Eliminate Taxpayer Subsidies for Amtrak Long-Distance Routes

*June 16, 2010*

**Program or Item Targeted:** Taxpayer subsidies for wasteful Amtrak Long-Distance Routes

**One-Year Cost of Program or Item:** Amtrak's 6 routes that operated at a total loss of \$161.3 million for FY 2009.

**Background on Program or Item to Be Sunseted:** In an attempt to revive passenger rail service, Congress passed the Rail Passenger Service in October of 1970. The legislation created Amtrak, which began running on May 1, 1971. Amtrak operates a nationwide rail network in 46 states and currently has long-distance trains that operate in 39 states, and the District of Columbia. In 1997, Congress passed the *Amtrak Reform and Accountability Act* which required Amtrak to operate without federal subsidies by 2002. Yet eight years later, Congress is still fully supporting Amtrak's shortfall. From FY2007-FY2010 alone, Amtrak received \$7 billion in federal assistance.

**Why This Program or Item Is Wasteful:** In 2009 Amtrak lost money on 41 of its 44 routes, according to [Subsidyscope](#), an arm of the Pew Charitable Trusts. Amtrak's worst offenders are its long-distance routes (over 400 miles in length). Nearly every one of the fifteen long-distance routes operates at a loss every month, costing taxpayers \$386 million last year. The biggest loss came from the Sunset Limited, traveling between New Orleans and Los Angeles, which lost \$462 per passenger. Amtrak runs a deficit every year, and because the taxpayers subsidize its inefficiencies, it has no real incentive for improvement. Amtrak's failing long distance routes need to be eliminated so that Amtrak has a proper incentive to improve, and relieve taxpayers from this unnecessary burden.

**MEMBER ACTION ITEM:** Representative Pete Sessions (TX-22) introduced H.R. 5377, which would require Amtrak to eliminate service to long distance routes which have total direct costs that are more than twice total revenue. For FY2009, this would have impacted 6 of the 15 long distance routes. Members are encouraged to contact Evan Shoop at 5-2231 at [Evan.Shoop@mail.house.gov](mailto:Evan.Shoop@mail.house.gov), to cosponsor or for more information.

If you would like to participate in eliminating wasteful programs with the RSC Sunset Caucus, please e-mail [Brad.Watson@mail.house.gov](mailto:Brad.Watson@mail.house.gov).

If you have a bill or amendment to highlight in the next Waste Action Alert please contact [Kimberly.Ellis@mail.house.gov](mailto:Kimberly.Ellis@mail.house.gov).

Note: Not every item featured in the Waste Action Alerts is necessarily endorsed by the RSC. These Alerts highlight the individual initiatives of members of the RSC Sunset Caucus.

*"The RSC Sunset Caucus uncovers government waste and seeks to eliminate it,  
working to sunset programs that taxpayers shouldn't be paying for."*